

# 2005 Benchmarking Survey

*E SOURCE Green Energy Watch*

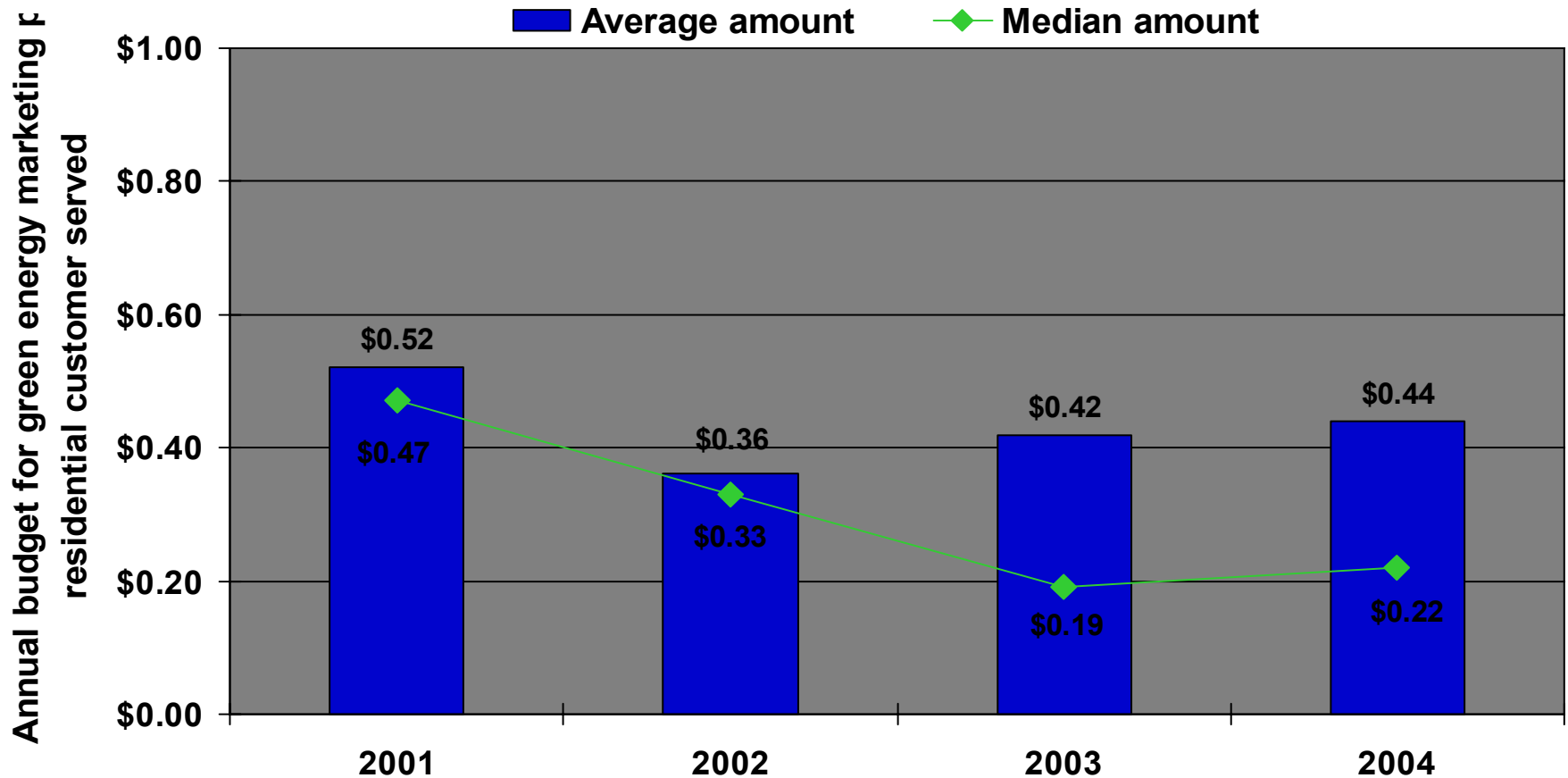
Adam Capage  
Director, Renewables and Emissions  
October 25, 2005

© 2005 Platts, a Division of The McGraw-Hill Companies

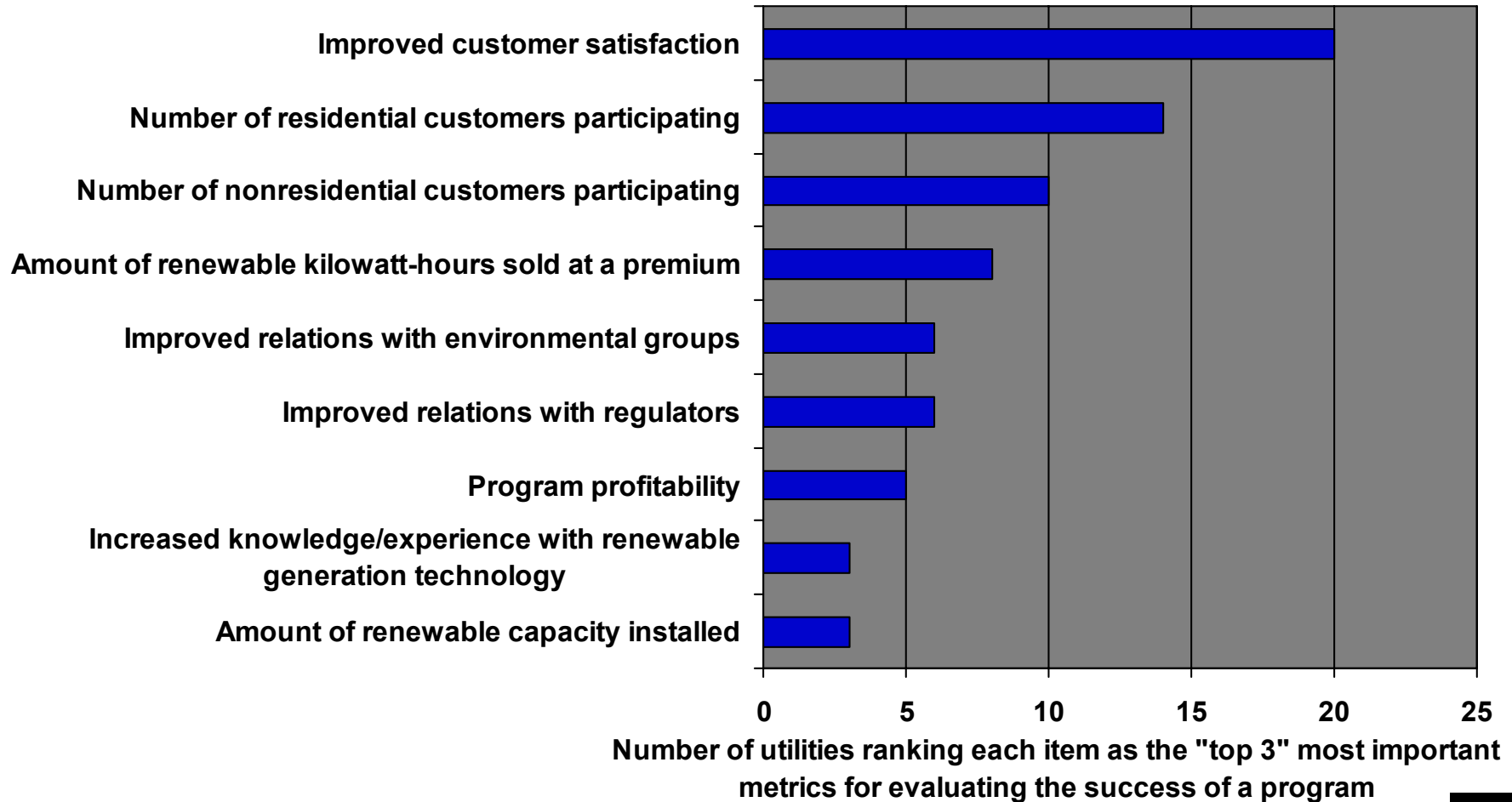
# Study Overview

- Fourth annual *E SOURCE Green Energy Marketing and Green Pricing Benchmark Survey*, fielded in March 2005, of green energy program managers at utilities in the U.S. and Canada.
- Convenience sample: 70 utilities were e-mailed an invitation to take the survey; 31 provided data.
- Data collected focuses on gathering specific cost numbers for distinct marketing campaigns. Other information gathered:
  - Awareness levels
  - Sales to residential vs. commercial customers
  - Marketing channels used
  - Number full time employees
  - Profile of utilities

# Green Pricing Program Annual Budget per Residential Customer Served



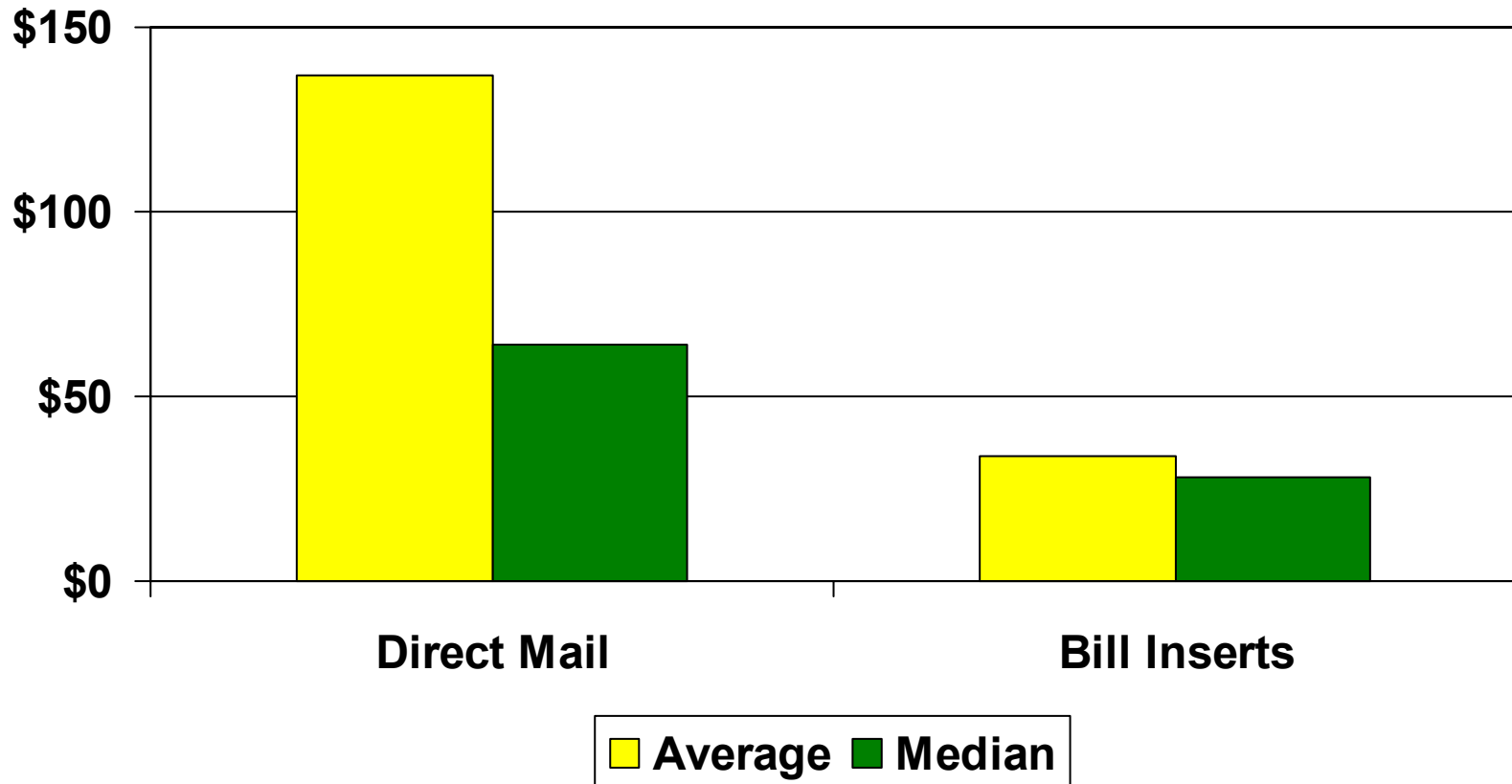
# How Green Energy Program Success Is Defined



# Residential Customers' Awareness of Green Energy Product

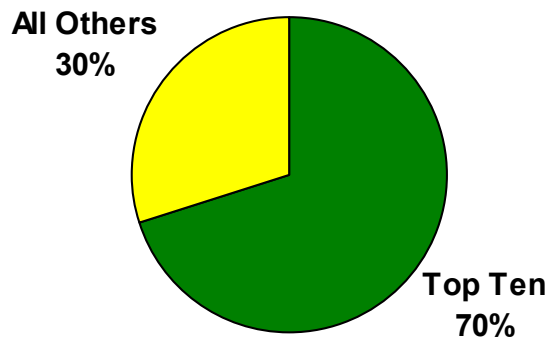
	2002	2003	2004
	Median percentage of residential customers aware	Median percentage of residential customers aware	Median percentage of residential customers aware
Measured awareness	25%	38%	47%

# Channel Battle

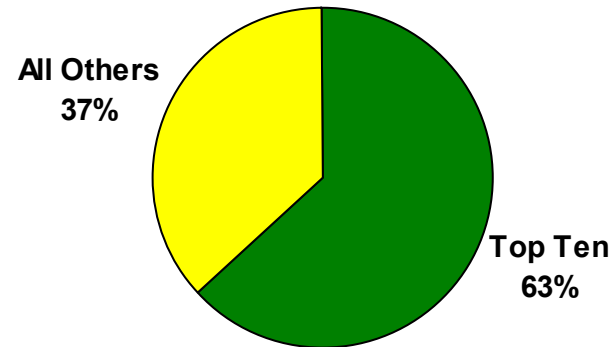


# Follow the Leaders

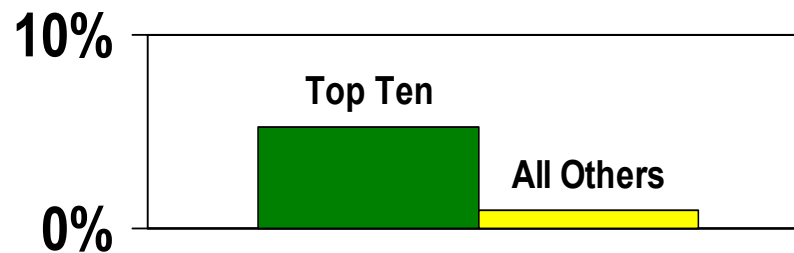
## Green Energy Sales



## Residential Customers

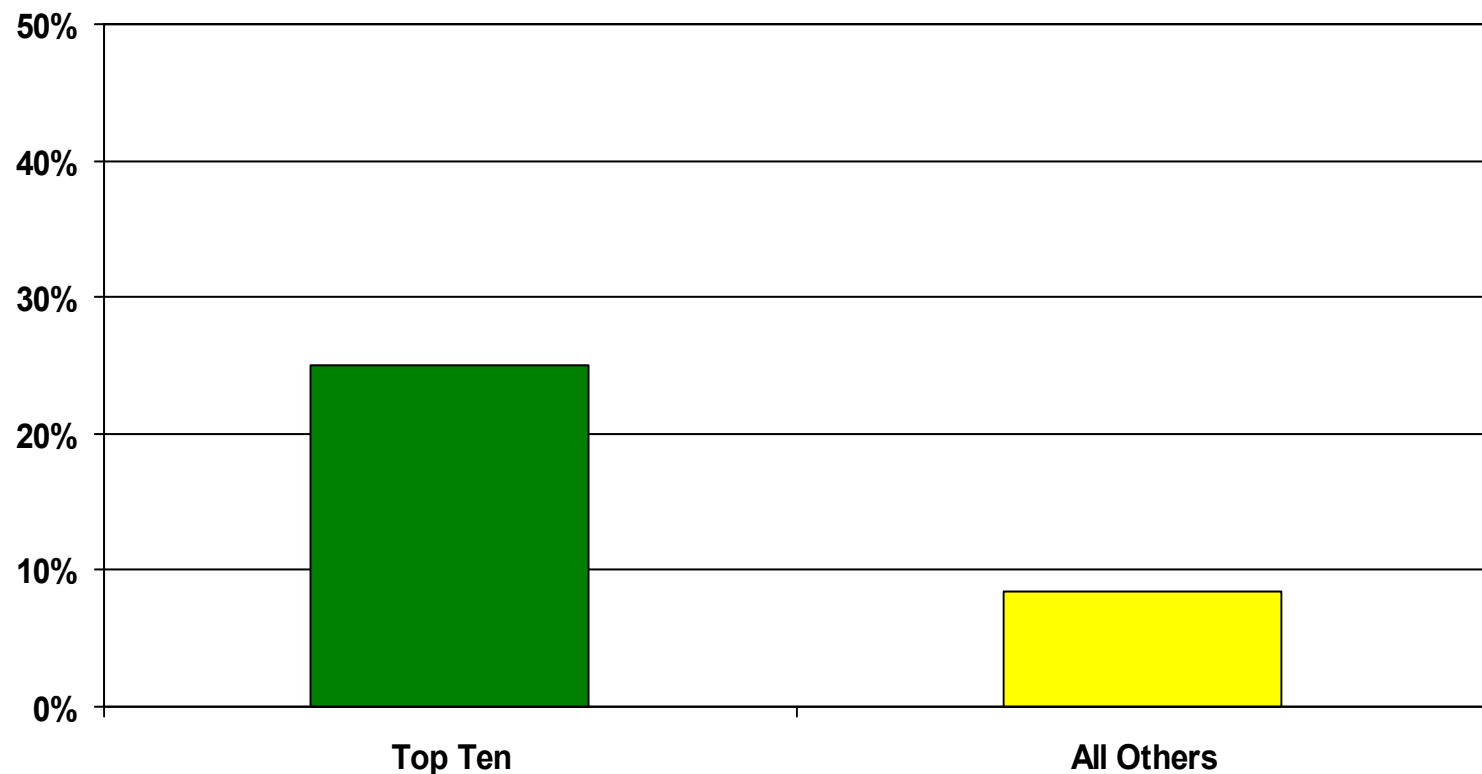


## Residential Market Penetration



Source: NREL, Oct. 05

# Marketing Works



**Median percentage of green power premium  
spent on marketing and program administration**



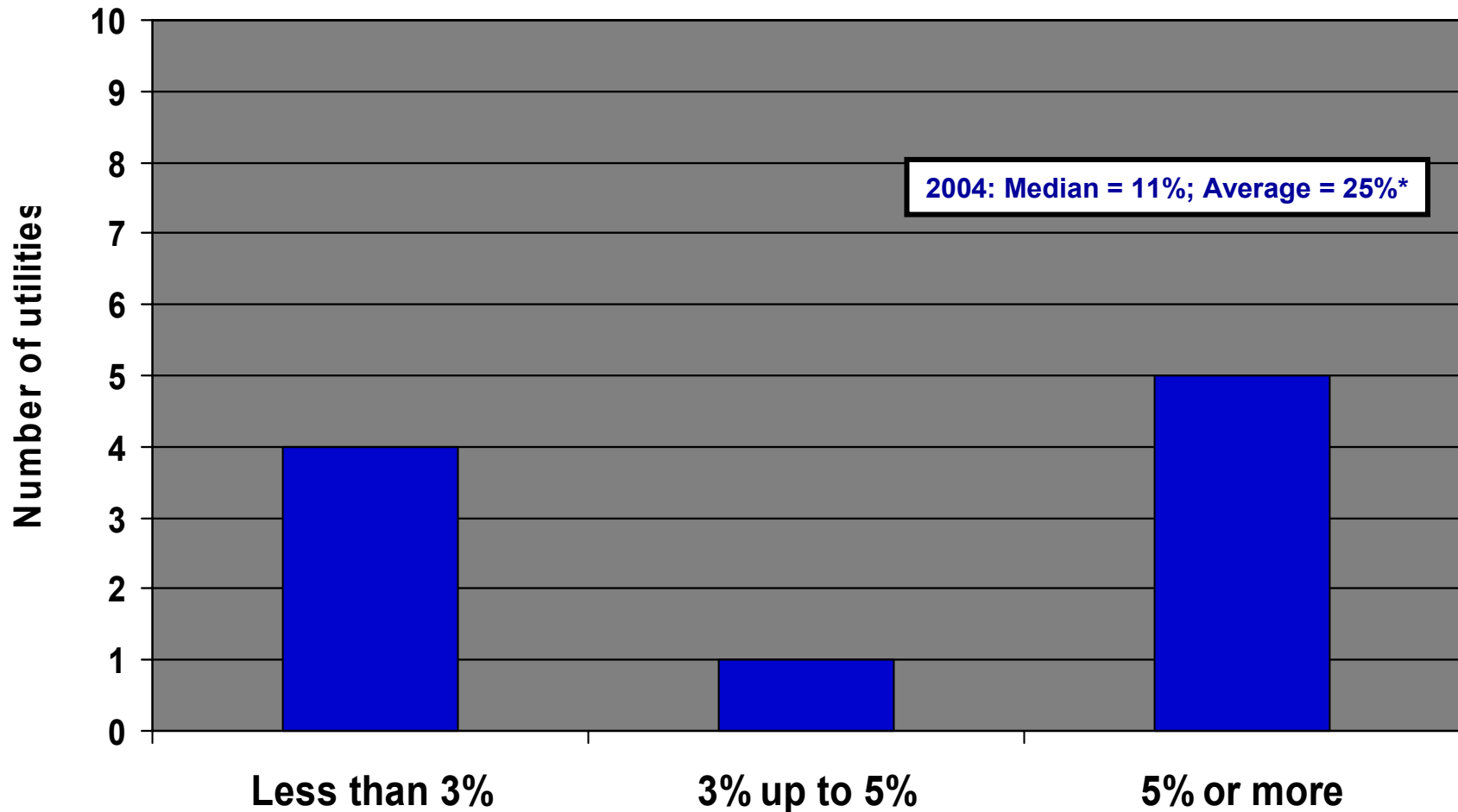
# Be a Data Hound!



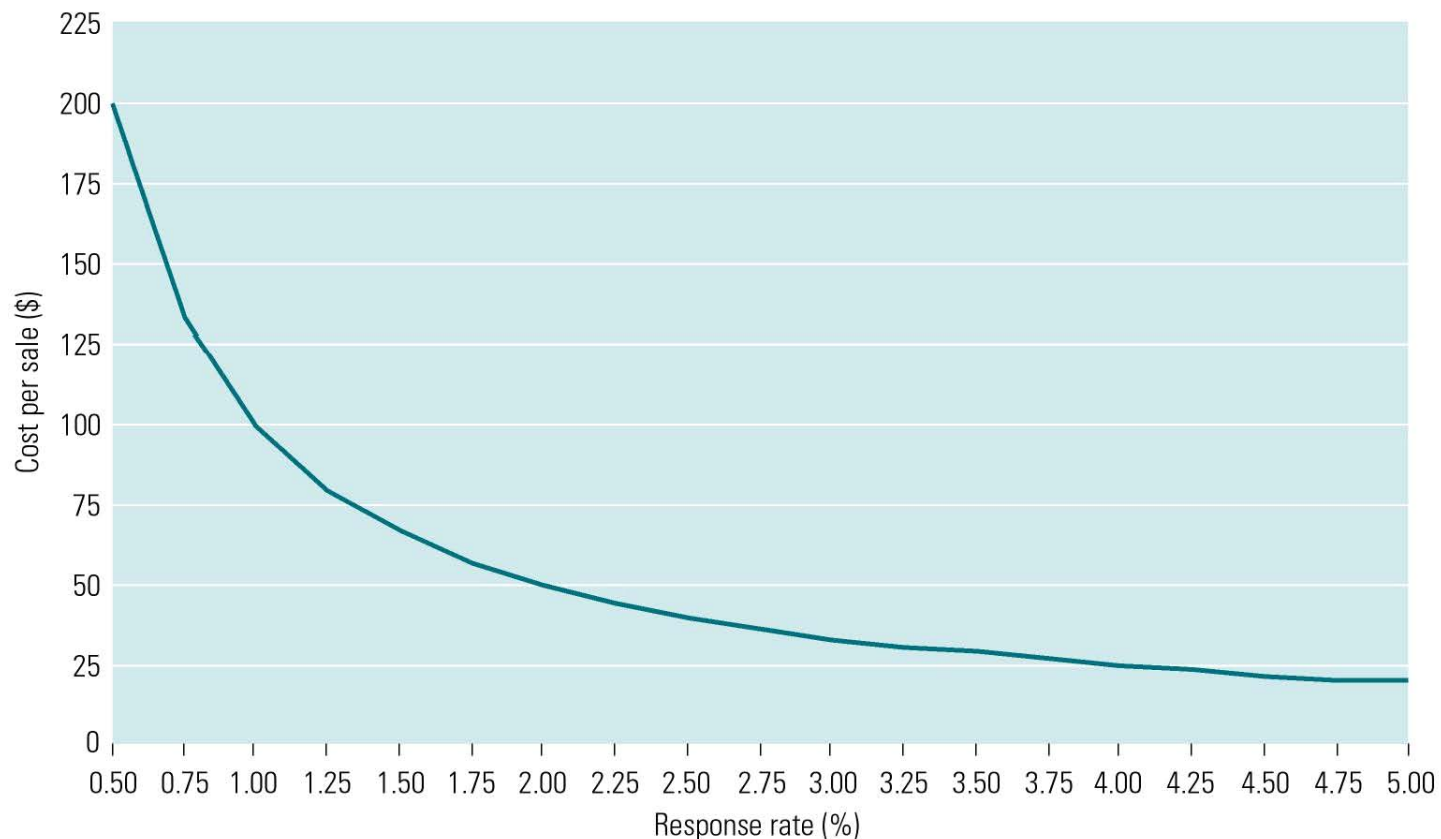
# Budgeting spreadsheet (sample slice)

Quarterly Costs	Y1Q1	Y1Q2	Y1Q3	Y1Q4
Program start-up costs	\$ (75,000)	\$ -	\$ -	\$ -
Total residential customers at beginning of quarter	0	1,000	1,500	1,900
New residential customers acquired during quarter	1,000	500	400	300
Lost residential customers at end of quarter	0	0	0	0
Total residential customers at end of quarter	1,000	1,500	1,900	2,200
Percent of total residential customers participating at end of quarter	0.10%	0.15%	0.19%	0.22%
Cost to acquire new residential customers this quarter	\$ (40,000)	\$ (20,000)	\$ (16,000)	\$ (12,000)
Personnel costs for FTEs selling to residential customers	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)
Cost to retain customers participating at beginning of quarter	\$ -	\$ (1,000)	\$ (1,500)	\$ (1,900)
Gross quarterly revenue from green energy sales to residential customers	\$ -	\$ 9,000	\$ 13,500	\$ 17,100
Cumulative residential program operating income	\$ (140,000)	\$(177,000)	\$(206,000)	\$(227,800)

# Direct Mail: Percentage of Total Households Contacted per Campaign



# Cost Impacts of Improving Response Rates



Source: Sacramento Municipal Utility District [2]

# Contact for More Information

Adam Capage

Director, Renewables and Emissions

720-548-5404

adam\_capage@platts.com